GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3246
ANSWERED ON:15.04.2008
MODERNISATION OF TEA FACTORIES
Subba Shri Moni Kumar

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has adopted a scheme for improving the quality of Tea through modernisation of tea processing factories and setting up new factories for green tea production and classification of organic tea;

(b) if so, the details thereof;

(c) the allocations proposed to be made for modernization of tea factories during the current financial year; and

(d) the steps taken so far in implementation of the scheme?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a): Yes, Sir.A scheme namely "Tea Quality Upgradation and Product Diversification Scheme" is being implemented by Tea Board for the purpose.

(b): Among others, the scheme provides for subsidy @ 25% of the cost of the machinery for processing and value addition of tea by the tea manufacturers.In the case of machinery for production of orthodox tea in 100 CTC factories and factories set up by Self Help Groups the subsidy @ 40% of the cost of machinery would be provided. The scheme also provides for subsidy @ 50% subject to a ceiling of Rs. 1 lakh for quality and organic certification.

(c): Rs.50 crores has been allocated under the scheme during the year 2008-09.

(d): The scheme was first launched during the 10th Five year Plan and it is being continued during the 11th Plan period as well. The Scheme has been well received by the industry and there has been a qualitative improvement in the manufacturing of tea in many factories that have availed the financial assistance under the scheme.During X Plan period an expenditure of about Rs. 65 crore was incurred under the scheme.